

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Implementation of the Subscriber Carrier)	
Selection Changes Provisions of the)	
Telecommunications Act of 1996)	CC Docket No. 94-129
)	
Policies and Rules Concerning)	
Unauthorized Changes of Consumers)	
Long Distance Carriers)	

BELLSOUTH COMMENTS

BellSouth Corporation, on behalf of its wholly owned affiliated companies¹ through undersigned counsel ("BellSouth"), submits the following comments in response to the *Second Further Notice of Proposed Rulemaking* ("Further Notice") released in the *Third Order on Reconsideration* in the above referenced proceeding.²

In this *Further Notice*, the Commission has requested comments on several matters related to the third party verification ("TPV") process that carriers perform when a subscriber changes his or her telecommunications carrier. The *Further Notice* seeks comment on the possible "need for additional minimum requirements for third party verification calls in order to maximize their accuracy and efficiency for consumers, carriers, and the Commission. These

¹ BellSouth Corporation is a publicly traded Georgia corporation that holds the stock of companies that offer local telephone service, provide advertising and publishing services, market and maintain stand-alone and fully integrated communications systems, and provide other network services world-wide. BellSouth participated in all aspects of the pleading cycle in this rulemaking proceeding.

² *In the Matter of Implementation of the Subscriber Carrier Selection Charges Provisions of the Telecommunications Act of 1996; Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers*, CC Docket No. 94-129, *Third Order on Reconsideration and Second Further Notice of Proposed Rulemaking*, FCC 03-42 (rel. Mar. 17, 2003) ("Further Notice").

additional possible requirements address issues we have seen repeatedly in our enforcement of the slamming liability rules.”³ Thus, offering little more than anecdotal evidence to support these changes, the *Further Notice* proposes to significantly alter the TPV process. Some of these matters are administrative in nature and their usefulness and benefit to carriers, subscribers, and the Commission outweigh their burdens; however, some, if implemented, would require significant costs to carriers with very little benefit. BellSouth addresses each of these issues below.

The Commission first asks, “whether third party verifiers should state the date during the taped verification process.”⁴ The Commission notes that without a stated date, it is sometimes difficult to determine if the verification is appropriate for a specific customer change or if the verification actually relates to a previous change. The Commission concludes that “[w]ithout a clearly articulated date on the verification tapes, the carrier could use the former verification tape to defend itself against the subsequent unauthorized change.”⁵

BellSouth supports having the third party verifier state the date during the verification process. This would add very little time to the verification process and would not be an addition that could potentially confuse the customer. The date appears to be a vital piece of information that would be useful not only to the Commission but to the carrier as well. Accordingly, BellSouth supports the date being added to the third party verifier’s script.

The *Further Notice* next asks “whether the verifier should explicitly state that, if the

³ *Id.*, ¶ 111.

⁴ *Id.*

⁵ *Id.*

customer has additional questions for the carrier's sales representative regarding the carrier change after verification has begun, the verification will be terminated, and further verification proceedings will not be carried out until after the customer has finished speaking with the sales representative."⁶ Such a requirement is not necessary.

This change appears to be directed toward carriers that are exempt from the Commission's sales representative drop-off rule. In the *Third Report and Order*, the Commission required that "the carrier or carrier's sales representative must drop off the call once the connection has been established between the subscriber and the third party verifier."⁷ Upon reconsideration, the Commission recognized that some carriers cannot currently comply with such a requirement and exempted those carriers from the drop-off rule for a two-year period. In order to obtain the exemption, the carrier must certify to the Commission that its sales agents are unable to drop off the call "after initiating a third party verification."⁸ The Commission added to the exemption the requirement that "the third party verification must be terminated if the sales agent of an exempted carrier responds to a consumer's inquiries after a verification attempt has begun. A new verification may be initiated only after the sales agent has finished responding to the customer."⁹ Thus, an exempt carrier's sales representative may stay on the call and answer customer questions, but after every sales representative response the verification process must start over. In such situations, customer confusion may be present because the customer would have to answer the same questions from the verifier more than once if the customer conversed

⁶ *Id.*, ¶ 112.

⁷ *Id.*, ¶ 30.

⁸ *Id.*, ¶ 35.

⁹ *Id.*

with the sales representative during the call.

For carriers that follow the drop-off rule, however, the same risk of customer confusion is not present. Under a drop-off scenario, if the customer has further questions for the sales representative, the call must be terminated and the customer would have to contact the carrier. Thus, there is no chance that the verification process will have to start over on the call, and, therefore, no chance that the customer will have to answer the verifier's questions more than once during the call. Indeed, greater customer confusion will occur if the verifier must read to the customer that "the verification will be terminated, and further verification proceedings will not be carried out until after the customer has finished speaking with the sales representative." This implies that the sales representative has remained on the call.

BellSouth does not dispute that customers in a drop-off scenario will have questions after the verification process begins that only the sales representative can answer. This is the exception, however, and not the normal process. Consequently, instead of requiring the verifier to make a proactive statement up-front, which will probably obfuscate the process for the customer, the better course of action is that each time a verifier encounters questions that only the carrier can answer the verifier merely tells the customer that he or she will have to contact the carrier for those answers and that the verification is being terminated. It would be unduly burdensome on the carriers, through added verification costs, and create more customer confusion to require a verifier to state the suggested language up front to the customer on a drop-off call scenario. Accordingly, the Commission should not require the proposed language for any carrier that is not exempt from the drop-off rule.

The Commission also seeks comment on "whether the verifier should convey to the

customer that the carrier change can be effectuated without any further contact with the customer once the verification has been completed in full.”¹⁰ The answer to this inquiry is absolutely not. The Commission states that its concern in seeking comments on this matter is that “customers may not realize that a carrier cannot in most cases ‘undo’ a PIC change after it has been submitted, even if the subscriber quickly requests cancellation of the change order.”¹¹ This concern hardly seems to be adequate justification for requiring the proposed language as part of the verification rules and any notion of including it in the rules should be dismissed for at least two reasons.

First, the a vast majority of customers understand that the carrier change can be effectuated without any further contact with the customer once the verification has been completed in full. In fact, one would assume that the customers expect the change to the effectuated once the verification process is complete. The fact that a customer may change his or her mind and therefore require a new change and verification is hardly a reason to require substantive scripting requirements by the third party verifier for all customers. Second, it would seem unlikely that this situation would occur frequently. Clearly, the small number of times that it may occur cannot justify the cost of having a verifier read to every customer the proposed disclaimer.

The Commission next seeks comment on “whether verifiers should be required to make clear to a customer that he or she is not verifying an intention to retain existing service, but is in

¹⁰ *Id.*, ¶ 112.

¹¹ *Id.*

fact asking for a carrier change.”¹² Once again, no such requirement should be placed on the verification process. The Commission rules already require that the verifier confirm that the person on the call wants to make a change in telecommunications carriers.¹³ Adding a requirement that the verifier confirm that the customer does not want to retain his or her existing service would be completely redundant. Subscribers of telecommunication services are perfectly capable of understanding that a confirmation to change carriers is mutually exclusive with retaining the same services. Just as with many of the other proposals in the *Further Notice*, the expense of adding this requirement to the verification process does not justify the limited utility that might be obtained by such a rule.

Finally, the Commission seeks comment on “whether, when verifying an interLATA service change, the verifier should specify that interLATA service encompasses both international and state-to-state calls, and whether a verifier should define the terms ‘intraLATA toll’ and ‘interLATA toll’ service.”¹⁴ Without doubt, the Commission should not cede to the third party verifiers the responsibility of attempting to explain the definition of interLATA services and the difference between them and intraLATA services. Such a requirement would have a dire negative impact on the carrier change process. Even if third party verifiers were given scripts to read regarding these definitions, there would be a host of questions from customers concerning the services. Third party verifiers would not have the expertise to answer these questions nor would they have the ability to try to obtain the answers. Thus, any question

¹² *Id.*, ¶ 113.

¹³ *See* 47 C.F.R. § 64.1120(c)(3)(iii).

¹⁴ *Further Notice*, ¶ 113.

about the definition would likely end in a termination of the verification. The customer would then have to reconnect with the carrier to start the order process over. This would lead to customer confusion and dissatisfaction. Moreover it would increase the cost of verification, because of the increased time the verifier would have to remain on the phone with the customer and the re-order process that customers will have to initiate with carriers, which in turn will ultimately be passed back to consumers in higher rates.

The only reason stated in the *Further Notice* for placing the definitional burden on third party verifiers is the Commission's observation "that carriers sometimes use differing terms for these services; for example, a carrier might refer to intraLATA service as 'short haul long distance, local toll, local long distance, or long distance calls within your state.'" The Commission noted that these various names apparently caused "numerous complaints from consumers that assert they unknowingly gave up the flat rate for intraLATA service they paid to their LEC when consenting to a carrier change for different services."¹⁵ BellSouth does not dispute that the definition of interLATA and intraLATA services is complex for anyone, especially consumers that are not immersed in the intricacies of telephone jargon. Carriers, however, are in a much better position to try to clarify these terms for the customer than is a third party verifier that has little more knowledge than the customer. Even if the sales representative of the carrier is unable to answer a customer's question, he or she has ample resources available to help the customer get an answer. Accordingly, the Commission should not place any requirement on the verification process to include explanations of telecommunication services. This is a responsibility that falls squarely with the carrier and should not be compromised. If the

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Id.

Commission believes that a carrier is intentionally misleading a customer to obtain permission to change services the customer did not want changed, the Commission can seek enforcement action against the carrier.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I do hereby certify that I have this 2nd day of June 2003 served the parties of record to this action with a copy of the foregoing **BELLSOUTH COMMENTS** by electronic mail, addressed to the parties listed below.

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